
By: **Delegates V. Clagett, Barve, Cadden, G. Clagett, Conway, Edwards,
Franchot, Howard, James, Jones, McIntosh, Menes, Sossi, Taylor, and
Wood**

Introduced and read first time: March 3, 2003
Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Advisory Council on Maryland's Equine Economy**

3 FOR the purpose of establishing the Advisory Council on Maryland's Equine
4 Economy; providing for the membership terms, chairman, compensation, duties,
5 and staff of the Advisory Council; requiring public members of the Advisory
6 Council to meet certain requirements; requiring the Advisory Council to develop
7 a certain strategic plan; specifying certain issues that the Advisory Council is
8 required to study; requiring the Advisory Council to submit a certain report at a
9 certain time to a certain committee of the General Assembly; and generally
10 relating to the Advisory Council on Maryland's Equine Economy.

11 BY adding to
12 Article - Agriculture
13 Section 2-7A-01 through 2-7A-10, inclusive, to be under the new subtitle
14 "Subtitle 7A. Advisory Council on Maryland's Equine Economy"
15 Annotated Code of Maryland
16 (1999 Replacement Volume and 2002 Supplement)

17 **Preamble**

18 WHEREAS, The equine economy, the assets of which include animals, land,
19 facilities, equipment, and supplies, is valued at over \$5 billion, is Maryland's second
20 largest agricultural business, is present in every county in the State, and is vital to
21 Maryland's economic life; and

22 WHEREAS, Horses and industries and activities associated with or supported
23 by horses, including but not limited to horse breeding, horse training, equestrian and
24 racing sports, feed and equipment supply stores, and farriery and veterinarian
25 services are interrelated and dependent on one another to be viable; and

26 WHEREAS, Equine pursuits from pleasure riding to steeplechasing and show
27 events, along with racing, have been deeply woven into the economic, cultural, and
28 historic fabric of the State for more than 300 years; and

1 WHEREAS, The colonial origins of horse racing are self-evident in the fact that
2 the Maryland Jockey Club was established in 1743, having such noted Americans as
3 George Washington and Thomas Jefferson among its initial members; and until the
4 last two decades the racing industry, along with its partner, the State, was a leader in
5 creating and celebrating a climate of success; and

6 WHEREAS, Maryland is the home to historic Pimlico Race Course, founded in
7 1870 and host of the Preakness, one of the three races comprising the internationally
8 prestigious Triple Crown and is now the headquarters for equine organizations
9 representing a variety of disciplines and breeds, including the National Steeplechase
10 Association and the Thoroughbred Racing Association, both located at Fair Hill in
11 Cecil County; and

12 WHEREAS, A recent study by the Center for Agricultural and Natural
13 Resource Policy at the University of Maryland found that the economic impact from
14 horse racing tracks, including Ocean Downs Harness Racing, Rosecroft Raceway in
15 Prince George's County, Cecil County Breeders' Fair, Inc. at Fair Hill, the track used
16 for the Timonium State Fair's 10 days of Racing, and the entities comprising the
17 Maryland Jockey Club totals over \$200 million; and that the economic impact from
18 the horse racing industry as a whole is close to \$400 million; and

19 WHEREAS, The 1999 Janney Commission (formally known as the Commission
20 to Study Ways to Improve the Financial Viability of the Horse Racing Industry) found
21 that Maryland was falling behind a strong national trend of increased interest in
22 horse racing and was not in the top tier of racing states; and

23 WHEREAS, More specifically, the Janney Commission report included in its
24 recommendations and findings the need for the further study of the introduction of
25 slots in neighboring states, the need to upgrade or replace facilities, the
26 modernization of wagering, purse increase structures, improvements necessary for
27 effective marketing, consideration of different ways tracks are owned and managed,
28 and statutory and regulatory reforms; and

29 WHEREAS, The Minority Report from the Janney Commission recognized the
30 State's role in providing, in effect, only one entity that provides a mile thoroughbred
31 race meet in Maryland, and further recognized that this monopoly has brought about
32 inherent disincentives and obstacles weakening the horse industry and equine
33 economy and placing them at an unnecessary disadvantage without sufficient
34 counterbalancing measures; and

35 WHEREAS, The General Assembly finds that the establishment of an ongoing
36 Advisory Council is necessary to continue the work begun by the Janney Commission
37 and develop a detailed strategic plan and the means to implement it in order to
38 revitalize the equine economy to a premier national status; now, therefore,

39 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
40 MARYLAND, That the Laws of Maryland read as follows:

1

Article - Agriculture

2

SUBTITLE 7A. ADVISORY COUNCIL ON MARYLAND'S EQUINE ECONOMY.

3 2-7A-01.

4 IN THIS SUBTITLE, "ADVISORY COUNCIL" MEANS THE ADVISORY COUNCIL ON
5 MARYLAND'S EQUINE ECONOMY.

6 2-7A-02.

7 THERE IS AN ADVISORY COUNCIL ON MARYLAND'S EQUINE ECONOMY IN THE
8 DEPARTMENT.

9 2-7A-03.

10 (A) THE ADVISORY COUNCIL CONSISTS OF 27 MEMBERS AS FOLLOWS:

11 (1) ONE INDIVIDUAL WHO IS A MEMBER OF THE STATE RACING
12 COMMISSION, APPOINTED BY THE COMMISSION;

13 (2) ONE INDIVIDUAL NOMINATED BY A MAJORITY VOTE OF THE
14 ORGANIZATION THAT REPRESENTS A MAJORITY OF STANDARDBRED BREEDERS IN
15 THE STATE;

16 (3) ONE INDIVIDUAL NOMINATED BY THE OCEAN DOWNS
17 STANDARDBRED LICENSEE;

18 (4) ONE INDIVIDUAL NOMINATED BY THE ROSECROFT STANDARDBRED
19 LICENSEE;

20 (5) ONE INDIVIDUAL NOMINATED BY THE MARYLAND HORSE BREEDERS
21 ASSOCIATION;

22 (6) ONE INDIVIDUAL NOMINATED BY THE MILE THOROUGHBRED
23 LICENSEES;

24 (7) ONE INDIVIDUAL TO REPRESENT THE DEPARTMENT OF BUSINESS
25 AND ECONOMIC DEVELOPMENT, APPOINTED BY THE SECRETARY OF BUSINESS AND
26 ECONOMIC DEVELOPMENT;

27 (8) ONE INDIVIDUAL TO REPRESENT EQUESTRIAN ACTIVITIES OTHER
28 THAN RACING, APPOINTED BY THE SPEAKER OF THE HOUSE;

29 (9) ONE INDIVIDUAL TO REPRESENT EQUESTRIAN ACTIVITIES OTHER
30 THAN RACING, APPOINTED BY THE PRESIDENT OF THE SENATE;

31 (10) ONE INDIVIDUAL WHO HAS DEMONSTRATED KNOWLEDGE OF
32 PUBLIC RELATIONS OR MARKETING, APPOINTED BY THE SPEAKER OF THE HOUSE;

1 (11) ONE INDIVIDUAL WHO HAS DEMONSTRATED KNOWLEDGE OF
2 PUBLIC RELATIONS OR MARKETING, APPOINTED BY THE PRESIDENT OF THE
3 SENATE;

4 (12) ONE INDIVIDUAL NOMINATED BY THE NATIONAL HORSE RACING
5 ASSOCIATION;

6 (13) ONE INDIVIDUAL WHO HAS DEMONSTRATED KNOWLEDGE OF
7 EQUESTRIAN ACTIVITIES CONDUCTED AT THE FAIR HILL NATURAL RESOURCES
8 MANAGEMENT AREA, APPOINTED BY THE SECRETARY OF THE DEPARTMENT OF
9 NATURAL RESOURCES;

10 (14) ONE MEMBER OF THE MARYLAND HORSE INDUSTRY BOARD,
11 APPOINTED BY THE CHAIRMAN OF THE BOARD;

12 (15) ONE MEMBER OF THE MARYLAND HORSE COUNCIL, APPOINTED BY
13 THE PRESIDENT OF THE BOARD OF DIRECTORS OF THE COUNCIL;

14 (16) TWO MEMBERS OF THE HOUSE OF DELEGATES, APPOINTED BY THE
15 SPEAKER OF THE HOUSE;

16 (17) TWO MEMBERS OF THE SENATE, APPOINTED BY THE PRESIDENT OF
17 THE SENATE;

18 (18) ONE PUBLIC MEMBER, APPOINTED BY THE SPEAKER OF THE HOUSE;

19 (19) ONE PUBLIC MEMBER, APPOINTED BY THE PRESIDENT OF THE
20 SENATE;

21 (20) ONE INDIVIDUAL NOMINATED BY A MAJORITY VOTE OF THE
22 ORGANIZATION THAT REPRESENTS A MAJORITY OF STANDARDBRED HORSEMEN IN
23 THE STATE;

24 (21) ONE INDIVIDUAL NOMINATED BY A MAJORITY VOTE OF THE
25 ORGANIZATION THAT REPRESENTS A MAJORITY OF THOROUGHBRED HORSEMEN IN
26 THE STATE;

27 (22) ONE INDIVIDUAL NOMINATED BY THE APPLICANT FOR A LICENSE
28 FOR A TRACK IN ALLEGANY COUNTY;

29 (23) ONE INDIVIDUAL NOMINATED BY THE MARYLAND STATE FAIR AND
30 AGRICULTURAL SOCIETY, INC.;

31 (24) ONE INDIVIDUAL TO REPRESENT THE SUPPORTING BUSINESSES
32 THAT RELATE TO HORSES AND THE HORSE INDUSTRY, APPOINTED BY THE SPEAKER
33 OF THE HOUSE; AND

34 (25) ONE INDIVIDUAL TO REPRESENT THE SUPPORTING BUSINESSES
35 THAT RELATE TO HORSES AND THE HORSE INDUSTRY, APPOINTED BY THE
36 PRESIDENT OF THE SENATE.

1 (B) (1) A PUBLIC MEMBER SHALL HAVE A DEMONSTRATED INTEREST AND
2 KNOWLEDGE IN INDUSTRIES ASSOCIATED WITH HORSES, INCLUDING HORSE
3 BREEDING, HORSE FARMING, AND HORSE RACING.

4 (2) A PUBLIC MEMBER:

5 (I) MAY NOT BE A LICENSEE OR OTHERWISE BE SUBJECT TO
6 REGULATION BY THE COMMISSION;

7 (II) MAY NOT, WITHIN 1 YEAR BEFORE APPOINTMENT, HAVE HAD A
8 FINANCIAL INTEREST IN OR HAVE RECEIVED COMPENSATION FROM A PERSON
9 REGULATED BY THE COMMISSION; AND

10 (III) MAY NOT, THROUGHOUT THE MEMBER'S TERM, HAVE A
11 FINANCIAL INTEREST IN OR RECEIVE COMPENSATION FROM A PERSON REGULATED
12 BY THE COMMISSION.

13 2-7A-04.

14 FROM AMONG ITS MEMBERS, THE ADVISORY COUNCIL SHALL CHOOSE A
15 CHAIRMAN.

16 2-7A-05.

17 A MEMBER OF THE ADVISORY COUNCIL:

18 (1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE ADVISORY
19 COUNCIL; BUT

20 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE
21 STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

22 2-7A-06.

23 (A) THE DEPARTMENT OF AGRICULTURE, WITH THE COOPERATION OF THE
24 DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT, THE DEPARTMENT OF
25 LABOR, LICENSING, AND REGULATION, AND THE DEPARTMENT OF LEGISLATIVE
26 SERVICES SHALL PROVIDE STAFF SUPPORT FOR THE ADVISORY COUNCIL.

27 (B) THE ASSISTANT ATTORNEY GENERAL ASSIGNED TO THE DEPARTMENT OF
28 AGRICULTURE IS THE LEGAL ADVISOR TO THE ADVISORY COUNCIL.

29 2-7A-07.

30 BEFORE TAKING OFFICE, EACH APPOINTEE TO THE ADVISORY COUNCIL SHALL
31 TAKE THE OATH REQUIRED BY ARTICLE I, § 9 OF THE MARYLAND CONSTITUTION.

32 2-7A-08.

33 (A) THE TERM OF A MEMBER IS 4 YEARS.

1 (B) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY THE TERMS
2 PROVIDED FOR MEMBERS OF THE ADVISORY COUNCIL ON OCTOBER 1, 2003.

3 2-7A-09.

4 (A) THE ADVISORY COUNCIL SHALL DEVELOP A STRATEGIC PLAN TO
5 REVITALIZE THE EQUINE ECONOMY OF MARYLAND TO A PREMIER NATIONAL
6 STATUS.

7 (B) THE ADVISORY COUNCIL SHALL STUDY VARIOUS ISSUES AFFECTING THE
8 EQUINE ECONOMY, INCLUDING:

9 (1) WAYS TO IMPROVE THE EQUINE ECONOMY, TAKING INTO ACCOUNT
10 BOTH THE PRESENCE AND ABSENCE OF SLOT MACHINES IN THIS STATE AND
11 NEIGHBORING STATES;

12 (2) WHETHER THE REGULATORY FRAMEWORK THAT GOVERNS THE
13 EQUINE ECONOMY CAN BE MORE EFFECTIVE;

14 (3) WHETHER THE POWERS OF THE COMMISSION SHOULD BE
15 ENHANCED;

16 (4) WHETHER AND WHAT KINDS OF STATE AID AND INCENTIVES COULD
17 LEAD TO PERMANENT IMPROVEMENT IN THE EQUINE ECONOMY;

18 (5) THE POTENTIAL FOR PARTNERSHIP BETWEEN IN-STATE TRACKS
19 AND TRACKS IN OTHER STATES AND PARTNERSHIP WITH OTHER STATES REGARDING
20 BREEDING PROGRAMS;

21 (6) WAYS TO ENSURE THAT THE RUNNING OF THE PREAKNESS STAKES
22 REMAINS IN THE STATE;

23 (7) WAYS TO IMPROVE FACILITIES AT TRACKS, THE AMOUNT OF
24 FUNDING NEEDED TO MAKE IMPROVEMENTS, AND POSSIBLE SOURCES OF FUNDING
25 FROM BOTH THE PRIVATE AND PUBLIC SECTORS;

26 (8) THE POTENTIAL FOR CREATING A FACILITY AND PROGRAM SIMILAR
27 TO KEENELAND'S IN KENTUCKY OR SARATOGA'S IN NEW YORK;

28 (9) WHETHER THE STAKES AND PURSE STRUCTURE AND OTHER
29 TECHNICAL ASPECTS OF RACING AND WAGERING SHOULD BE CHANGED;

30 (10) WAYS TO STRENGTHEN THE HORSE BREEDING INDUSTRY;

31 (11) WAYS TO IMPROVE THE MARKETING OF RACING EVENTS,
32 STEEPLECHASING, AND SHOW EVENTS ALONG WITH OTHER WAYS TO SHOWCASE
33 HORSES AND HORSE EVENTS;

34 (12) HOW TO PROMOTE THE EQUINE HERITAGE AND CULTURE OF THE
35 STATE, INCLUDING THE CREATION OF A MUSEUM;

1 (13) WHETHER PUBLIC OWNERSHIP OF TRACKS IS ECONOMICALLY
2 FEASIBLE, PREFERABLE, AND A DESIRABLE PUBLIC GOOD; AND

3 (14) WAYS IN WHICH RESIDENTS OF NEIGHBORHOODS SURROUNDING
4 TRACKS MAY BE INVOLVED IN PLANNING FOR THE FUTURE OF THE FACILITIES.

5 2-7A-10.

6 ON OR BEFORE DECEMBER 31, 2003, AND EVERY YEAR THEREAFTER, SUBJECT
7 TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE ADVISORY COUNCIL SHALL
8 SUBMIT ITS FINDINGS AND RECOMMENDATIONS TO THE LEGISLATIVE POLICY
9 COMMITTEE OF THE GENERAL ASSEMBLY.

10 SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the initial
11 members of the Advisory Council on Maryland's Equine Economy end as follows:

12 (1) seven on September 30, 2007;

13 (2) seven on September 30, 2006;

14 (3) seven on September 30, 2005; and

15 (4) six on September 30, 2004.

16 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take
17 effect June 1, 2003.